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### **Treasurer's top 10 Yuletide tips**

*With holiday spending in full swing, state Treasurer Dean Martin has a few tips about smart financial management and avoiding debt that will help the season end on a happy, richer note. "You can make the holidays even happier if you follow these ten tips to help keep your head above water during the holiday shopping season," Martin said.*

#### **Make a budget and stick to it.**

- Place a spending limit for each person on your list.
- Keep in mind even the small expenses associated with the holidays, including postage, entertaining and gas prices!

#### **Avoid the emotion explosion.**

- It's only natural to want to shower your loved ones - especially the little ones -- with gifts to show them how much you care - but this will bust your budget with overspending.

#### **Quality over quantity; avoid the impulse purchases.**

- How many parents spend \$100 on a gadget only to watch the kids play with the \$1 box it came in?

#### **Increase your income before increasing your spending.**

- Retail outlets hire more part-time people during this time of year.
- Consider taking up a part-time job to increase your income and meet your spending needs and wishes.

#### **Don't procrastinate.**

- Putting off holiday shopping may force you to break your budget as you will buy anything - and everything - at the last moment.
- You could wind up paying more in shipping costs than the gift itself!

#### **Pay cash -- "No Payments, No Interest" can be a problem.**

- Avoid credit card purchases unless you know you can pay off the full balance of your bill when all holiday shopping is completed.
- Stay away from buying into deferred payment plans, unless you are confident you can pay the purchase off before the deadline.

#### **Don't open new credit.**

- Many retail and department stores offer discounts when you open a new credit card, but the one-time-only discount may not be worth having another credit card on your credit rating.

#### **Pass on extended warranties.**

- The cost of a repair or replacement over time may be the same as buying an extended warranty plan.

**Open a holiday savings account.**

- Set up a separate savings account just for your holiday shopping so it can accrue interest during the year.
- Make a small deposit into it each month, and you'll be surprised how much "extra" money you have for the holidays next year!

**Pay your bills on time!**

- This is the best gift you can give yourself for the holidays and all year round.
- If you are late on payments, your interest rate - and future payments -- might go up.
- When you miss just one payment, regardless of the dollar amount, it takes 24 months to restore your credit.

Martin also recommends getting a free credit report. "The information on this report determines the interest rates that credit card companies will charge," he said. A free report may be requested at [www.annualcreditreport.com](http://www.annualcreditreport.com) once every 12 months from each of the nationwide consumer credit reporting companies - Equifax, Experian and TransUnion.

"Make sure you haven't been a victim of identity theft and that your information is correct," Martin said.

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